

MARKETPLACE INSPECTION REPORT

No. 061108184203

Greenleaf, LLC
13960 Palm Road
Neosho, Missouri 64850
EPA Establishment No. 83893-MO-001

June 11, 2008

PERSONS INTERVIEWED AND INDIVIDUAL RESPONSIBILITIES:

On June 11, 2008 I initiated a For-Cause Marketplace Inspection at Greenleaf, LLC of Neosho, Missouri. I presented credentials and Notice of Inspection to Mr. Ralph Kunz, Operations Manager. Mr. Kunz is responsible for all of the daily activities of the firm's Neosho pesticide production and distribution facility. His responsibilities also include oversight of the operations of Greenleaf, LLC's pesticide production facility in Pineville, Missouri. I also presented credentials to and met briefly with Mr. Tom Smith, Owner of Greenleaf, LLC and Mr. Robert Applegarth, Acting Plant Manager of the Pineville facility. No other persons were interviewed.

This inspection was the second Federal inspection conducted at Greenleaf, LLC on June 11, 2008. This inspection was initiated in response to a Federal For-Cause Marketplace Inspection that was conducted earlier on June 11, 2008 of Mrs. Leah Easton of Anderson, Missouri. Information collected during the Easton Inspection indicated distribution of misbranded pesticides by Greenleaf, LLC. The second Greenleaf, LLC inspection was authorized by the Environmental Protection Agency (EPA). I was accompanied and assisted by Mr. Paul Bailey of the Missouri Department of Agriculture (MDA) and by Mr. Walter Rochelle of EPA.

DISCUSSION WITH MANAGEMENT:

Initial discussion was held with Mr. Ralph Kunz, Operations Manager of Greenleaf, LLC at Neosho. Mr. Steven Hill, Counter Salesman was present during the discussion, but he was not interviewed. During the discussion Mr. Tom Smith, Owner and Mr. Robert Applegarth, Acting Plant Manager of the firm's Pineville facility arrived.

At the beginning of the inspection I advised Mr. Kunz of the For-Cause Marketplace inspection that documented Mrs. Easton's purchase of pesticides, including misbranded pesticides from Greenleaf, LLC. I informed Mr. Kunz that Mrs. Easton reported her June 11, 2008 purchase of a Gaylord tote/pallet of Eliminator ANT, FLEA & TICK KILLER GRANULES (EPA Reg. No. 28293-329-59144) from Greenleaf, LLC. I informed Mr.

Kunz that the pallet of 20 pound bags included several partial and damaged containers of ANT, FLEA & TICK KILLER GRANULES and that Mrs. Easton described the Greenleaf, LLC employee that sold her the pesticide as an African American man. I told Mr. Kunz that the sale occurred shortly after the conclusion of the Federal inspection on the early afternoon of June 11, 2008.

Mr. Kunz appeared visibly angered and he immediately called over Mr. Steven Hill, Counter Salesman. Mr. Kunz asked Mr. Hill if he had sold a pallet of granular insecticide product to a retail walk-in customer within the past few hours. Mr. Hill appeared confused and he did not immediately respond to Mr. Kunz. Mr. Kunz repeated his question and Mr. Hill replied that he did sell the pallet of insecticide to a customer. Mr. Kunz stated a rhetorical question to Mr. Hill that he had ordered no further sales of "those" pesticides and you (Mr. Hill) know you are not supposed to sell the insecticide bags. Mr. Hill appeared totally confused and replied that he did not know he was not supposed to sell the insecticide bags. Mr. Hill said he had continued to sell the insecticides. Mr. Kunz ordered Mr. Hill to leave the customer service and product display area of Building One.

I advised Mr. Kunz that Mrs. Easton indicated she was given a written receipt and I requested a copy of the firm's sales invoice pertinent to her purchase. Mr. Kunz retrieved the sales receipt book from the customer service counter and we reviewed the sales invoices for June 11, 2008 together. I discovered Invoice No. 730667, dated June 11, 2008 recorded the sale of one pallet of "Lawn Care" at a purchase price of \$26.90. The identity of the customer was not listed and the initials of the Salesman were listed as "SH". I advised Mr. Kunz that this receipt matched the cost of the pallet of pesticides purchased by Mrs. Easton. Mr. Kunz stated that "Lawn Care" was Greenleaf, LLC's product identification for grass seed of mixed varieties. Mr. Kunz stipulated that Invoice No. 730667 likely recorded the pesticide sale that Mr. Hill made to Mrs. Easton. He allowed me to collect a copy of the receipt.

According to Mr. Kunz, he was not aware Mr. Hill had sold a pallet of ANT, FLEA & TICK KILLER GRANULES to a retail customer on June 11, 2008 until informed of the sale by Mr. Gary Steiner of MDA. He confirmed that Invoice No. 730667 recorded a sale made by Mr. Steven Hill, Greenleaf, LLC Counter Salesman. Mr. Kunz indicated that Mr. Hill had admitted to the sale of the pallet of insecticides. He said the invoice likely recorded this sale. Mr. Kunz affirmed that he did not know the pallet sold by Mr. Hill held several broken, damaged and partial pesticide containers. He said the sale of damaged and partial pesticide containers should not have occurred. Mr. Kunz said he would make sure sales of misbranded pesticides did not occur again.

At about the time Mr. Kunz had finished questioning Mr. Hill, Mr. Smith and Mr. Applegarth arrived. Mr. Kunz advised Mr. Smith of the discovery of a reported sale of misbranded pesticides by Mr. Hill to a customer. Mr. Smith appeared surprised and immediately instructed Mr. Kunz to "shut it down" and lock the doors to the business. Mr. Smith said the firm would immediately discontinue all retail sales to the public. Mr. Kunz and Mr. Smith held a discussion regarding the pesticides that could be sold and

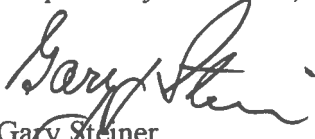
distributed versus those that could not be sold and distributed. Mr. Smith ordered Mr. Hill to go back into the break-room and write out a statement of his actions. Mr. Kunz, Mr. Smith and Mr. Applegarth then retreated to Mr. Kunz's office for a private conference.

When the Greenleaf, LLC officials emerged from their meeting a brief discussion was held concerning the matter. Mr. Kunz's comments were recorded and collected in a written statement. Mr. Smith affirmed that Greenleaf, LLC had been selling distributing pesticides the firm had received from Wal-Mart, Inc. at a discount. He said the 20 pound bags of insecticide, including those sold to the June 11, 2008 customer (Mrs. Easton) likely had a normal retail value of \$30 per bag. Mr. Smith had no comment regarding the firm's sale of pesticides at a discount of over 98%. He indicated Greenleaf, LLC had not intended to sell misbranded pesticides. A Receipt For Samples was issued to Mr. Kunz.

ATTACHMENTS:

Notice of Inspection signed by Mr. Kunz
Statement signed by Mr. Kunz
FTTS Inspection Sheet
Receipt For Samples signed by Mr. Kunz
Photocopy of Sales Invoice No. 730667
History of Official Sample

Respectfully submitted,



Gary Steiner
Pesticide Investigator
Missouri Department of Agriculture
June 30, 2008



UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY

NOTICE OF INSPECTION

ADDRESS (EPA Regional Office)

Kansas City, Kansas

DATE

6/11/08

HOUR

3:15

A.M.
P.M.

NAME OF INDIVIDUAL

Ralph Runz

TITLE

Operations Manager

FIRM NAME

Greenleaf, LLC

FIRM ADDRESS (Number, Street, City, State, and ZIP Code)

13960 Palm Road
Neosho, Missouri 64850

SIGNATURE OF EPA EMPLOYEE

Gary J. Hines

TITLE

Investigator

REASON FOR INSPECTION

FOR THE PURPOSE OF INSPECTING AND OBTAINING SAMPLES OF ANY PESTICIDES OR DEVICES PACKAGED, LABELED, AND RELEASED FOR SHIPMENT, AND SAMPLES OF ANY CONTAINERS OR LABELING FOR SUCH PESTICIDES OR DEVICES, IN PLACES WHERE THE PESTICIDES OR DEVICES ARE HELD FOR DISTRIBUTION OR SALE (Sec. 9(a) and 12(a)(2)(B)); AND FOR THE PURPOSE OF INSPECTING AND OBTAINING COPIES OF THOSE RECORDS SPECIFIED IN SECTION 8 AND 40 CFR PART 169. (Sec. 8 and 12(a)(2)(B)).

VIOLATION SUSPECTED: For-Cause Marketplace Inspection

Suspected distribution of misbranded pesticides.

Ralph Runz

Section 8, 9(a) and 12(a)(2)(B) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. 136 et seq.) are quoted on the reverse of this form.

EPA FORM 3540-2 (Rev. 01-01)

PREVIOUS EDITION MAY BE USED
UNTIL SUPPLY IS EXHAUSTED

1. Original - ESTABLISHMENT COPY
2. SAMPLE RECORD COPY
3. REGION COPY
4. INSPECTOR'S COPY



U.S. ENVIRONMENTAL PROTECTION AGENCY

ADDRESS (EPA Regional Office)

RECEIPT FOR SAMPLES

Kansas City, Kansas

DATE

June 11, 2002

NAME OF INDIVIDUAL

Ralph Kunz

TITLE

Operations Manager

FIRM NAME

Greenleaf, LLC

ADDRESS (Street, City, State and Zip Code)

13960 Palm Road
Neosho, Missouri 64850

SAMPLE NUMBERS

061108184203

SAMPLES COLLECTED (Describe fully. List Registration, Lot, Batch, Model, Serial Numbers and other positive identifications.)

The following samples were collected by the U.S. Environmental Protection Agency and receipt is hereby acknowledged pursuant to Section 9.(a) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. 136 g). This section is quoted on the reverse of this form.

061108184203 - photocopy of pesticide sales
invoice

Ralph Kunz

ACKNOWLEDGMENT OF PRODUCER REGISTRANT

The undersigned acknowledges that the samples shown above were obtained from pesticides or devices that were packaged, labeled, and released for shipment.

SIGNATURE (Owner, Operator, or Agent)

TITLE (Owner, Operator or Agent)

Operations Manager

☐ DUPLICATE SAMPLES
REQUESTED AND PROVIDED☒ DUPLICATE SAMPLES
NOT REQUESTED

SAMPLES WERE

☐ PURCHASED☒ BORROWED

AMOUNT PAID FOR SAMPLES

\$

N/A

☐ CASH☐ VOUCHER☐ TO BE BILLED

NAME OF COLLECTOR (Print or type)

Gary Stier

TITLE OF COLLECTOR

Investigator

SIGNATURE OF COLLECTOR

Ralph Kunz



U.S. ENVIRONMENTAL PROTECTION AGENCY

RECEIPT FOR SAMPLES

ADDRESS (EPA Regional Office)

Kansas City, Kansas

DATE

June 11, 2002

NAME OF INDIVIDUAL

Ralph Kunz

TITLE

Operations Manager

FIRM NAME

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\$

N/A

☐ CASH☐ VOUCHER☐ TO BE BILLED

NAME OF COLLECTOR (Print or type)

Gary Steiner

TITLE OF COLLECTOR

Investigator

SIGNATURE OF COLLECTOR

Ralph Kunz

STATEMENT

I, Ralph Kunz, under affirmation say:

I was unaware that one of my employees sold a Pallet of Eliminator Ant, Flea & Tick Killer Granules, EPA Reg. No. 28293-32 59144, identified on a Greenleaf sales invoice as "1 pallet of Lawn Care" to a retail customer today until I was informed of the sale by Gary Steiner. I have spoken to one of my employees and confirmed Mr. Steven Hill made the sale of insecticide to a customer. I did not know the pallet contained broken pestick bags. The sale should not have happened. I have provided a copy of the sales invoice to Mr. Steiner.

I hereby affirm that the above is true to the best of my knowledge.

Signature: Ralph Kunz Title: Operations Manager

Date: June 11, 2008

Firm Name: Greenleaf, LLC

Address: 13960 Palau Road

City: Noosho

State: Missouri Zip Code: 64550

Signature of Witness: Gary Steiner

Printed on Recycled Paper

Std Form 11/96

061108184203

BJ

6/11/08

CUSTOMER'S ORDER NO.		DEPARTMENT		DATE 6-11-8	
NAME					
ADDRESS					
CITY, STATE, ZIP					
SOLD BY 34	CASH	C.O.D.	CHARGE	ON ACCT.	MDSE RETD PAID OUT
QUANTITY	DESCRIPTION			PRICE	AMOUNT
1					
2	1 pallet of				
3	Lawn Care			25	25.00
4				10	1.00
5					
6				06/1	26.90
7					
8	Paid				
9					
10					
11					
12	Cash				
13					
14					
15					
16					
17					
18					
19					
20					
RECEIVED BY					

adams
5805

KEEP THIS SLIP FOR REFERENCE